

UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION

IN RE:

CASE NO.: 8:15-bk-08402-KRM

Imaginative Concepts, Inc.,

CHAPTER 11

Debtor.

CHAPTER 11 CASE MANAGEMENT SUMMARY

COMES NOW, the Debtor, Imaginative Concepts, Inc. (“GLG” or “Debtor”), by and through undersigned counsel, and pursuant to Administrative Order TPA-2005-2 hereby files this Chapter 11 Case Management Summary as follows:

1. This instant Chapter 11 Case was filed on August 17, 2015. The Debtor operates as a Debtor-In-Possession pursuant to 1107(a) and 1108 of the Bankruptcy Code.
2. Debtor is a business organized under the laws of the state of Florida. The Debtor’s primary location 7182 123rd Circle N., Largo, FL 33773. Debtor owns and operates a wholesale distribution business for high-end European lighting products.
3. The Debtor is owned, operated, and managed by Frank Fitzgerald. The Debtor operates in leased premises at 7182 123rd Circle N., Largo, FL 33773, which is both a showroom and warehouse. The Debtor has encountered fluctuations in business revenues and has struggled to service its debts, including vendor debt.
4. The Debtor is the subject of several judgments, including a \$7,044.88 judgment held by Phoenix International Freight Services, Ltd., and a \$43,607.68 judgment held by D.B. Group America, Ltd. The Debtor is also the subject of a recorded UCC Financing Statement by its factoring company, Merchant Cash and Capital, LLC which holds a lien on certain futures sales

proceeds of the Debtor. Merchant Cash and Capital LLC may assert that Debtor is currently in default with this factoring company. Merchant Services may also assert a secured claim.

6. The Debtor owes or purportedly owes vendor and other unsecured debt in the amount of \$904,980.67. Some of this debt is the subject of dispute. The Debtor's largest unsecured creditors are Lou Queen Electrical Company, which Debtor believes will allege a claim of \$496,759.78, Thomas Infantino, which Debtor believes will allege a claim of \$75,000, Myra L. Graubard, which Debtor believes will allege a claim of \$48,000, Innermost Hong Kong LTD, which Debtor believes will allege a claim of \$45,018.47 and Rotaliana SRL, which Debtor believes will allege a claim of \$42,081.43. The bankruptcy filing will allow Debtor to review and potentially resolve issues with creditors and allow Debtor to reorganize its debt.

7. Gross Sales in 2014 were \$1,089,094.52 with a Total Income after Inventory Costs of \$278,381.18 (prior to consideration of other deductible expenses). After consideration of expenses, Debtor suffered a \$214,434.69 loss in 2014. Gross Sales year to July 31, 2015 were \$379,546.64 with a total Income after Inventory Costs of \$139,763.23 (prior to consideration of other deductible expenses). After consideration of expenses, Debtor has suffered a \$83,323.31 loss in 2015, thus far.

8. The Debtor felt that bankruptcy relief was needed in order to provide the best opportunity to reorganize.

9. The Debtor does not believe it will need DIP financing at this time, although exit financing may be a viable option. The Debtor seeks to reorganize under Chapter 11 by restructuring its debt and assuming its lease with its lessor and further reducing expenses. The Debtor believes it can present a successful plan of reorganization that will provide a better resolution to all parties-in-interest, rather than a liquidation.

10. The amounts owed, or purportedly owed to the three classes of creditors are as follows:

- a. Priority Creditors: Internal Revenue Service Payroll Taxes: unknown
- b. Secured Creditors: \$113,598.02
- c. The amount of unsecured claims is estimated to be \$904,980.67

11. The Debtor's assets consist of Inventory, Furnishings, Fixtures, Equipment and other tangible assets. The estimated value of there are as follows:

- a. Inventory: \$240,670.88;
- b. Office/Warehouse Equipment and Supplies: \$24,500.00
- c. Security Deposit with Landlord: \$5,127.09
- d. Accounts Receivable: \$33,443.49
- e. Bank Account Balances: to be supplied.

Dated: August 20, 2015

/s/ Jake C. Blanchard
Jake C. Blanchard, Esquire

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished either electronically or by U.S. mail to all creditors on the attached mailing matrix; 20 largest unsecured creditors on the attached Mailing Matrix; the U.S. Trustee; and to Imaginative Concepts, Inc. on this 20th day of August, 2015.

/s/ Jake C. Blanchard
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